

Health and Human Services Agency

RECOMMENDED BUDGET • FY 2023-24

MISSION

The Health and Human Services Agency (HHS) is a Department of El Dorado County that partners with the community on health and welfare issues. The Agency's mission is, with integrity and respect, to provide effective, efficient, collaborative services that strengthen, empower, and protect individuals, families, and communities, thereby enhancing their quality of life.

AGENCY PROGRAM SUMMARY

	Appropriations	Revenues	Total General Fund Support	Staffing
Administration	\$ 4,960,605	\$ 4,743,833	\$ 216,772	65.50
Social Services	\$ 74,116,184	\$ 70,257,053	\$ 3,859,131	284.65
Community Services	\$ 30,126,922	\$ 30,126,922	\$ 3,684,256	64.68
Behavioral Health	\$ 66,996,828	\$ 66,996,828	\$ 76,510	115.65
Public Health	\$ 31,823,248	\$ 31,823,248	\$ 464,552	69.35
Animal Services	\$ 4,524,133	\$ 2,069,675	\$ 2,454,458	21.00
Public Guardian	\$ 2,274,430	\$ 160,000	\$ 2,114,430	12.00
Veteran Affairs	\$ 880,872	\$ 133,584	\$ 747,288	7.10
Total	\$ 215,703,222	\$ 206,311,143	\$ 13,617,397	639.93

General Fund Budget Requests

	FY 2022-23 Adopted Budget	FY 2023-24 Recommended Budget	Increase/ (Decrease)
Administration	\$ 711,622	\$ 216,772	\$ (494,850)
Social Services	\$ 3,204,774	\$ 3,859,131	\$ 654,357
Community Services	\$ 3,553,690	\$ 3,684,256	\$ 130,566
Behavioral Health	\$ 155,933	\$ 76,510	\$ (79,423)
Public Health	\$ 5,043,527	\$ 464,552	\$ (4,578,975)
Animal Services	\$ 2,330,124	\$ 2,454,458	\$ 124,334
Public Guardian	\$ 2,054,188	\$ 2,114,430	\$ 60,242
Veteran Affairs	\$ 681,334	\$ 747,288	\$ 65,954
Total	\$ 17,735,192	\$ 13,617,397	\$ (4,117,795)

AGENCYWIDE PENDING ISSUES

CalAIM Initiative

The California Advancing and Innovating Medi-Cal (CalAIM) is a state initiative that is planned to go into effect on July 1, 2023, which has the following stated goals:

- Identifying and managing member risk and need through Whole Person Care approaches and addressing Social Determinants of Health;
- Moving Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and

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- Improving quality outcomes and driving delivery system transformation through value-based initiatives, modernization of systems, and payment reform.

The initiative's Medi-Cal payment reform would eliminate the current cost report and settlement to cost requirements and would instead implement "peer" county rates. Counties would be allowed to be paid in excess of their actual cost, with the excess being reinvested into counties' mental health programs. In addition, counties would be allowed to include incentive payments for quality outcomes in their contracts with service providers.

Not only will CalAIM change the way that HHSA recovers the cost of Medi-Cal-eligible services, but it will result in programmatic changes. As an example, there is a CalAIM mandate regarding pre-release services for the justice-involved populations of El Dorado and neighboring counties. Due to this mandate, the Recommended Budget includes the addition of 3.0 FTE allocations in the Social Services Department in the areas of application acceptance and management, as well as monitoring, suspending and activating services for customers as they enter and exit the justice system.

The Recommended Budget represents a conservative approach to estimating CalAIM revenue and service impacts. Staff will continue to monitor revenue and service impacts throughout the fiscal year and return to the Board with updates if any significant changes emerge.

Realignment Funded Programs

The 1991 Realignment revenues fund the County's share of the cost for realigned programs in three different HHSA areas: Public Health, Behavioral Health and Social Services. The 2011 Realignment revenues fund the County's share of the cost for realigned programs in two different areas: Behavioral Health and Protective Services. For many years, HHSA has discussed with the Board the challenges of funding these mandated programs with Realignment revenues that are impacted by economic conditions. California State 1991 and 2011 realignment legislation allows for a 10% transfer between the Public Health, Social Services and Behavioral Health realignment funds to allow counties funding flexibility for mandated services and operations. The FY 2023-24 Recommended Budget includes the 10% transfer of 1991 Realignment revenue from Public Health and 2011 Realignment revenue from Social Services into Behavioral Health. This transfer adds up to an additional \$1 million in revenue into Traditional Behavioral Health Programs. Due to increased statewide sales tax collections, these departments received increased realignment revenue in FY 2022-23. The Recommended Budget projects the following Realignment fund balances at the end of FY 2023-24: Social Services Realignment of \$4.4 million, Public Health Realignment of \$12.1 million, and Behavioral Health Realignment of \$7.2 million. More detail on realignment fund balance is provided in the Social Services, Public Health, and Behavioral Health departments' budget narratives.

Agency-wide Transitions and Changes

The Recommended Budget for HHSA represents a transitional budget in many ways. The County is currently working with the Municipal Resource Group to assess the challenges regarding the HHSA organizational structure and programs and propose emerging solutions that could impact the HHSA budget once implemented. The Agency is currently under the leadership of an Interim Director and is recruiting for multiple positions within the Executive Staff team. The Recommended Budget includes the building of the Permanent Navigation Center in Community Services and the implementation of Crisis Care Mobile Units, Crisis Residential Treatment services, and CalAIM in Behavioral Health. While projections of budgetary impacts from these initiatives have been included in the Recommended Budget, it is likely that revisions will need to be made in the Adopted Budget and later in the fiscal year as these changes and projects are implemented and evolve during the year.

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The budget for the Health and Human Services Agency is recommended at \$215,703,222, which is an increase of \$202,631 (0.1%) when compared to the FY 2022-23 Adopted Budget. Revenue totals \$206,311,143, and total staffing is 639.93 FTE positions.

The Recommended Budget for HHSA reflects General Fund support of \$13.6 million. The change to the HHSA General Fund support request is a net decrease of \$4.1 million over the FY 2022-23 Adopted Budget. The decrease in General Fund is primarily related to the move of the Jail and Juvenile Hall Medical Services Contract to the Sheriff's Office. This General Fund reduction in HHSA is offset by an increase in General Fund in the Sheriff's Office for this contract.

